

# **BUDGET REQUEST AND GOVERNOR'S RECOMMENDATIONS**

**Fiscal Year 2004**



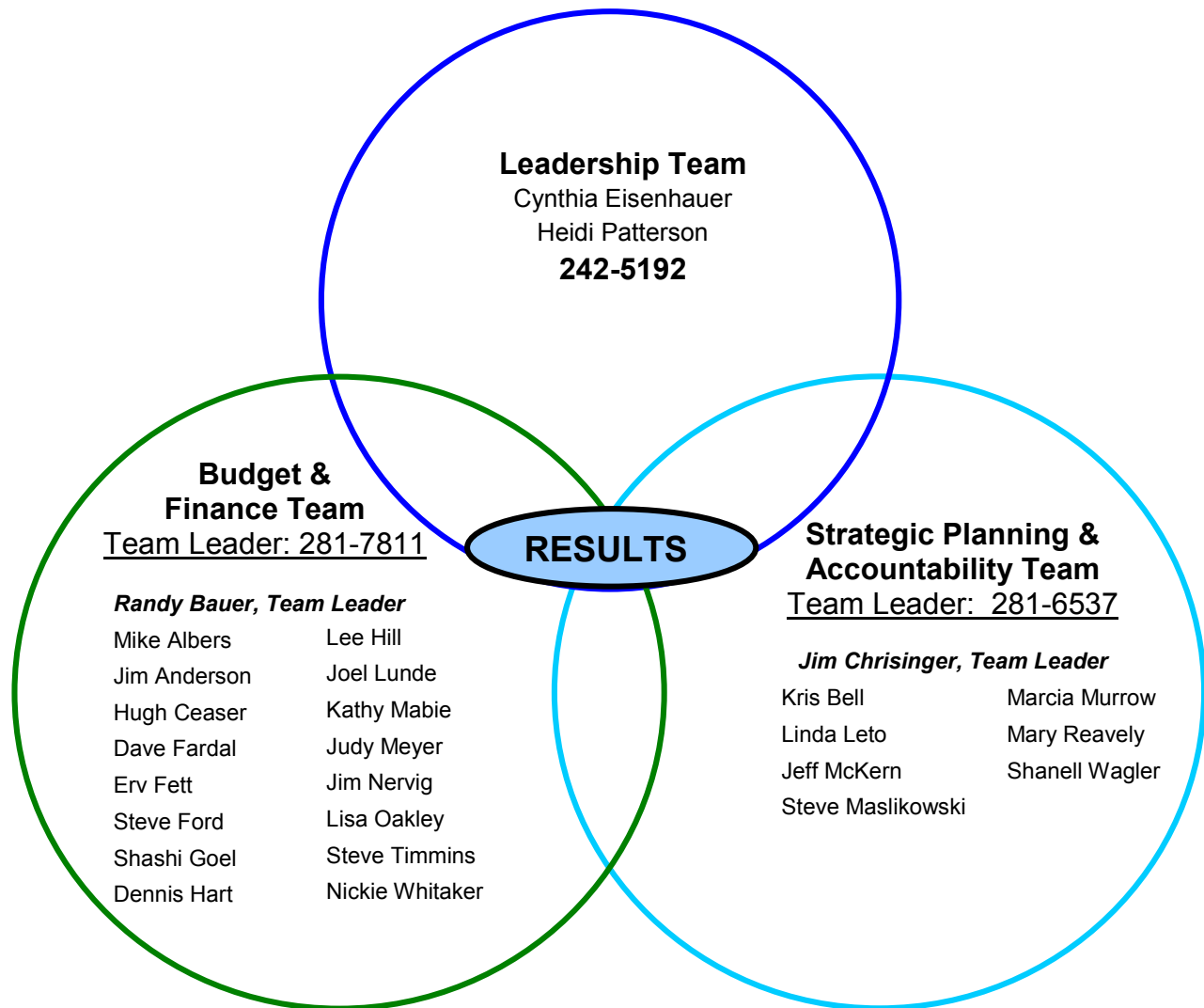
*The Department of Management will be the Strategic Planning,  
Finance, and Accountability Center of Excellence in State  
Government.*

**Presented to the Administration and Regulation  
Budget Subcommittee**

**February 20, 2003**

# Department of Management Organization

## January 2003



### KEY SERVICES, PRODUCTS, ACTIVITIES

#### Financial and Policy Analysis

- \*Support the legislative budget process ( 8.6)
- \*Forecast and track revenue (8.6; 8.22A )
- \*Create and manage local budget systems (8.6)
- \*Coordinate the State Appeal Board (24.26)
- \*Manage the salary model and support collective bargaining (8.6 Ch.1175 (10) 2002 session laws)
- \*Offer budgeting technical assistance to state departments and local governments ( 8.6)
- \*Create and manage enterprise budget and financing systems ( 8.6)

#### Performance and Accountability

- \*Lead enterprise strategic planning (8.52)
- \*Facilitate department strategic planning (8.52)
- \*Lead enterprise results measurement and reporting (8.52)
- \*Facilitate department results measurement/reporting (8.52)
- \*Lead enterprise continuous improvement efforts (8.52)
- \*Facilitate public forums (8.52)
- \*Support the achievement of enterprise goals (8.52)
- \*Analyze enterprise policies and proposals (8.6; 8.52)
- \*Forecast trends and impacts (8.52)

# **ACCOUNTABLE GOVERNMENT ACT**

The Act demonstrates a legislative-executive branch commitment to best management practices for responsive, responsible, and accountable government. Components of the Act include:

- Strategic Planning,
- Performance Planning,
- Performance Measurement,
- Performance Reporting,
- Results-Oriented Budgeting,
- Performance Contracting,
- Return on Investment, and
- Performance Audits

The Act is being phased in over three years and integrated with other management initiatives.

## **PHASE 1**

Last year (FY02) featured identifying requirements and selecting a new budget system, developing guidebooks and training for strategic and performance planning, performance measurement and performance contracting and expanding Iowa Excellence Assessments (based on the Baldrige criteria) to all departments.

## **PHASE 2**

The second phase (FY 03) will include design and implementation of the new budget system, development of an ROI model and design of the Performance Reporting and Performance Audit components.

## **PHASE 3**

In the third phase (FY 04), the new budget system will be completed and performance audits begin.

**IOWA DEPARTMENT OF MANAGEMENT**  
**Budget FY 2003 - FY 2004**

<b>General</b>	<b>Revenues</b>		<b>FY 2003 Estimated</b>	<b>FY 2004 Dept. Req.</b>	<b>FY 2004 Gov's Rec.</b>
<b>Office</b>	GF Approp.	D01	\$2,048,640	\$2,062,112	\$2,245,237
Blue Book	RUTF Approp.	D23	\$56,000	\$56,000	\$56,000
Pg 190	Salary Adjust. Dist.		\$13,472	\$0	\$0
	Receipts		\$387,524	\$129,417	\$129,417
	<b>Total Revenues</b>		\$2,505,636	\$2,247,529	\$2,430,654
	Authorized FTE Level		30.00	30.00	31.50
 <b>Enterprise</b>	GF Approp.	D04	\$57,244	\$57,966	\$57,966
<b>Resource Plan.</b>	Salary Adjust. Dist.		\$722	\$0	\$0
Blue Book			\$57,966	\$57,966	\$57,966
Pg 193	Authorized FTE Level		1.00	1.00	1.00
 <b>Empowerment</b>	Intra State Transfer		\$200,000	\$200,000	\$200,000
	Authorized FTE Level		2.00	2.00	2.00
 <b>Salary Model</b>	Transfer to D01		\$0	\$126,767	\$126,767
<b>Admin.</b>	Salary Adjust. Dist.		\$126,767	\$0	\$0
	Authorized FTE Level		1.00	1.00	1.00

## **Recommendations To Improve the Revenue Estimating Process**

(from January 17, 2003 memo to from Holmes Foster to Representative Willard Jenkins presented previously to the Subcommittee)

### **Summary #1**

5. Additional funding should be sought for additional positions and other requirements of the Department of Management for coordination of the internal government working group, Iowa Economic Forecasting Council, Revenue Estimating Conference, and other internal and external participants in the collection, analysis and dissemination of economic information.
6. The present practice of obtaining forecasts and other information relating to the global and U.S. economies from outside sources should be contained.
7. Funding should be sought for the employment of an outside source to regularly forecast the economy of the State of Iowa and each geographical and significant business sector of the state and to advise the Governor, General Assembly and Revenue Estimating Conference as to the basis, trends and developments indicated by the forecasts.

Governor's FY2004 Recommendation for Department of Management:

### **Additional funding for the Revenue Estimating Process**

Additional 1.5 FTEs	\$91,625
Professional Services	\$41,100
Outside Services	<u>\$50,400</u>
Total	\$183,125